

# Work-at-home schemes

“Earn \$240 to \$480 every week in the comfort of your own home. No experience or skills required. Guaranteed. For complete details send \$29.95 and a stamped, self-addressed envelope. . . “

To many people who are housebound, out of work, or in need of extra income to make ends meet, the appeal of work-at-home advertisements seems too good to pass up. Ads for envelope stuffing, making craft items, and mail order business schemes promise that consumers will net hundreds of dollars a month on an investment of just a few dollars. But complaints by consumers show that the end result is usually the same—consumers lose their money.

## Only the promoter gets rich

The Bureau of Consumer Protection receives numerous calls and complaints each year from consumers who are thinking of getting involved in work-at-home plans or who have already paid in and lost

their money. Many don't want to hear any bad news because they believe that no matter how bad other plans are, the one they're interested in is the one that will work.

## How do these schemes work?

To find out how to get involved in a work-at-home promotion, you almost always have to send money. These small payments from consumers are the heart of the work-at-home schemes. Dollars sent to companies for further information or a training manual, by hundreds of interested consumers, insure that the promoter will make a good profit. With many of the schemes, you end up receiving worthless information or a copy of the same advertisement you responded to with instructions on how to use it

to con other people out of money.

## Envelope stuffing

Stuffing and addressing envelopes is one of the most common work-at-home plans. One promotion promised home workers they could earn up to \$250 a week using their home computers for receiving and processing envelopes. Many other envelope stuffing plans make the same kind of promise.

Usually all you get for your money is a list of companies that are supposedly interested in having you stuff or address envelopes. You must contact each of the companies at your own expense and await a possible reply. More often than not, the companies on the list ask for additional money before sending details,

or claim to never hire outside help. The details usually consist of nothing more than another list. It's not uncommon to find that those listed are out of business. If the company is interested—and the chance is slim—you may have to buy your own envelopes and stamps and perhaps work on a commission basis. The magic commission and income figures rarely materialize.

## **Homemade craft items**

Promotions for homemade craft items also promise big profits for a small investment of time and money. Usually, you are asked to send money in to the company for craft kits you assemble at home. The company agrees ahead of time to buy back the finished product from you at an attractive price. But regardless of how high the quality of your work

is, the company often judges your goods inferior and returns them to you. You are stuck with the goods they have your money.

## **Protect yourself**

Although many work-at-home schemes may violate state consumer fraud and U.S. postal laws, successful prosecutions are extremely difficult and costly. As a result, prosecutions are generally directed at high volume promoters, using multiple business names and/or numerous mail drops throughout the country. Even in these cases, restitution or refunds for consumers are rare.

Experience shows that you should use caution before spending money in response to any work-at-home offer. It is often difficult to verify

representations made in the promoter's literature or statement about such things as income representations, sources of mailing lists, and lists of potential work-at-home employers. And don't be taken in by worthless testimonials from people who claim they made lots of money on work-at-home plans.

For more information, or to file a complaint, contact the Bureau of Consumer Protection at:

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